

DEPARTMENT OF FOOD AND AGRICULTURE

1220 N Street, Room A-230
Sacramento, CA 95814-5621
Phone: (916) 654-0795
Fax: (916) 653-8919
E-mail: *poolina@cdfa.ca.gov*



**BUREAU OF MILK POOLING
POLICY AND PROCEDURAL LETTER NO. 11.2**

**CLASSIFICATION AND MOVEMENT OF CONDENSED SKIM MILK
AND ALL OTHER CONDENSED AND EVAPORATED PRODUCTS**

This letter, which supplements Policy and Procedural Letter No. 11.1 dated March 20, 1974, updates the procedure for classification of condensed skim milk in conformance with legislative changes effective August 1, 1982.

Condensed skim milk will be classified at the time of manufacture as Class 2 unless the product meets the following exceptions:

1. If the condensed skim milk is supplied to a consumer in hermetically sealed containers by the manufacturing plant, it would be classified as Class 4a. Condensed skim milk shipped to plants which only manufacture nondairy products (i.e. soup, candy) is also considered as being supplied to a consumer and would be classified as Class 4a.
2. If the condensed skim milk is used by the manufacturing plant in making frozen dairy products or is shipped to other plants which use it in the manufacture of frozen dairy products, it would be classified as Class 3.
3. If the condensed skim milk is manufactured as an intermediate step in a powdering process it would be classified as Class 4a.
4. All condensed skim milk supplied to another plant, either pool or non-pool should be classified as Class 2 at time of shipment, except for those amounts for which a certificate is furnished by the receiving plant to the shipping plant certifying that the condensed was utilized in the manufacture of products for which the Class 3, Class 4a, or Class 4b utilization would apply.

If a handler uses condensed skim milk in more than one class and buys condensed skim milk from other handler's, the total condensed will be assigned to usage, based on the percentage of total condensed used in each class unless his records clearly show actual use.

Certificates of usage are for convenience of movement between plants. Where it is determined by audit that the usage certified by the receiving plant was incorrect, the shipping plant will be obligated to the pool for the usage determined by that audit.

It is the plant's responsibility to maintain adequate records which reflect the usage allocated to all condensed skim milk handled by that plant. If the utilization claimed by the plant cannot be verified, the condensed skim will be classified as Class 2.

Condensed skim milk used in the fortification of Class 1 products continues to be classified as Class 2 at the time of manufacture. The computer program will reflect an upcharge from Class 2 to Class 1 for condensed skim milk reported on Line 91 of the Form MPB800 as having been used in the fortification of Class 1 products.

This Policy and Procedural Letter is effective August 1, 1982. Transactions prior to that date will be governed by Policy and Procedural Letter No. 11.1.

R.E. Rominger
Director

by: Glenn Gleason

Dated: August 23, 1982

notes: in route returns must take out condensed weight, but, if plant manufactures skim must show skim equivalent in class 4a route returns.